

MVAC MINUTES – JUNE 9, 2004

The meeting was held on June 9, 2004 at the Division of Wildlife. Larry Wegrzyn started the meeting at 9:03 am.

In Attendance: Cher Threlkeld – DOW, Mary Anne Kramer – CBI, Roger Friedrich – DOHS, Mette Boes – OSA, Steve Bouey – OSA, Russ Wilcox – DOHE UCCS, Fred Trujillo – DOL, Sharron Evans – DOHE – Pikes Peak CC, Paula Neal – DONR Oil & Gas, Karl Trump – DOR Gaming, Karen Neuschwanger – DOT, Michael Stadler – DOHE UNC, Patti Torres – DOLE, Bryan Flansburg – DOHE CU Boulder, Mercedes Schwall – DONR Parks, Jim Anderson DOHE UCHSC, Kyle Shelton – CSP, representing State Fleet – Larry Wegrzyn, Bob Schley, Terry Sisneros and Ken Hausauer.

Updates

- **FY06 Replacements** – SFM has nearly completed the FY06 list. We are proceeding with the assumption that there is not going to be any split with non-general and general fund vehicles. Using the same criteria as FY05 (which was accepted by both OSPB and the JBC for the FY05 replacements), SFM identified over 1,100 vehicles to be replaced for FY06. The State has never replaced this many vehicles. SFM feels it's legitimate because of severe under funding in recent years, and will proceed with this number. There was discussion amongst the MVAC and SFM regarding the criteria used for replacing vehicles. Some members were concerned that SFM is enabling JBC to continue pushing the mileage thresholds without regard to other issues. SFM indicated that the methodology used identifies vehicle candidates based primarily on their maintenance cost history. Mileage thresholds based on function and utilization are then used to establish upper limits. Vehicles above these mileage limits are automatically proposed for replacement regardless of maintenance cost considerations. Utilization and use influence what cost and mileage thresholds are used to establish replacement recommendations. For example, low use vehicles (campus crawlers, etc.) can typically be effectively utilized at higher mileage levels without a significant safety or financial impact. Therefore, these vehicles should have a higher upper mileage limit. SFM has also added a column to the replacement analysis to show the projected mileage in FY07 if it is **not** replaced in FY06. Finally State fiscal considerations and political realities are taken into consideration.

State Patrol vehicles typically have lower mileage thresholds that are mandated by OSPB. SFM has added a lower mileage limit for replacement for non-CSP law enforcement vehicles to give them an advantage in the replacement process even though OSPB and JBC have not been willing to extend the mandated low mileage criteria beyond CSP.

The SFM write up for the OSPB includes multiple references to safety and reliability concerns among program managers. SFM suggests that vehicle/fleet coordinators voice their concerns regarding these issues on high mileage vehicles to their Departmental Budget Personnel who in turn should raise the issue with Departmental OSPB/JBC analysts. Some agencies feel that analysts will be concerned about cost versus safety. SFM is hopeful that the case can be effectively made that both safety and cost considerations are important in the final decision.

SFM has recently had to request supplemental appropriations for FY04 (and anticipate even more for FY05 and FY06) to cover increased maintenance costs. These requests continue to demonstrate the consequences of deferring replacements. The MVAC was not aware that multiple alternatives are presented to the OSPB. One of the alternatives presented uses only the 100,000-mile criteria, but SFM does not recommend this number because it is based solely on an arbitrary mileage threshold, and the number of vehicles in this alternative is impossibly high given the state fiscal constraints. SFM believes the arguments to support the needed number of replacements are sound, but they still may not pass through the budgeting process due to financial conditions faced by the State.

Because of the complexity of the replacement identification methodology and because it is important that the MVAC members understand the elements of the process, SFM will do a presentation at the July 2004 MVAC meeting on the replacement methodology, and the steps SFM must take before submitting the list to the OSPB.

SFM encourages agencies to provide examples of safety/reliability problems that can be compiled and put into a summary document and then made available. The issue was also raised that the longer we hold onto vehicles the less salvage value they have and the less money there is to offset the cost for the overall fleet. This impact is also included as part of the financial analysis portion of the current replacement methodology. It was suggested that when giving examples we should refer to the vehicle as a "tool" not an "asset". It was asked, "What is GSA's criteria?" SFM will check on the criteria for GSA, and will check with other States. SFM will also look into resources that might exist for members to access records regarding SFM testimony to the JBC regarding Fleet related appropriations.

- **FY05 Replacements** -- There are 755 non-general funded vehicle replacements approved for FY05. The bids will not go out until August 2004. Get with Ron Clatterbuck on input for the bids. SFM will solicit input with regards to attachments, changes in terms and so forth for replacement vehicles. Bob S – SFM, would like to suggest when SFM sends the replacement list out, if you have a campus crawler you should consider carefully before suggesting that it not be replaced. The replacement list is sent two years in advance and you may have a different vehicle that needs replacement by that time. This will keep the approved replacement "slot" open. Bryan – CU Boulder, would like to encourage SFM when doing the bid on 15

passenger vans to look into the stability of the vans. SFM cannot exclude a manufacturer; it is illegal. CU thinks it can be done with a certain axle and wheelbase. SFM – If you can demonstrate that there is an official issue with the NHTSB regarding the wheelbase then the wheelbase might become a specification on the bid. There were no additional questions.

- **Follow Up**

- **Distribute draft agreement on the Club.** Take a look at the agreement before implementation. Let SFM know if you have any feedback. SFM can have the final version for the July 2004 MVAC meeting. Mary Anne – CBI: Who will be identifying the high-risk areas? Bob G. at SFM could identify these areas. Bryan – CU: Can we possibly get money back if the vehicle is stolen with the Club in place? SFM will check on the liability and see which ones will work the best. It was suggested to put a statement on the agreement regarding the proper use of the Club and receiving monies back if stolen. SFM encourages agencies to use the Watch My Car Program.
- **Handout on overdue oil changes.** The report shows vehicles that are 50% overdue per their normal interval. This report is still showing April's data. SFM will do this report on a monthly basis. The report can be sent out with the MVAC minutes. The MVAC were all in favor of using this report. The "type" in the report B/I/W is where we pulled the latest odometer from – billing, invoice or work order.
- **Water Conservation - Car Washes.** No change in policy, 2 car washes per month per vehicle. The dollar amount is set by locality. Vehicles can be detailed at the agency's expense.
- **Address Removal – regarding the fuel card request.** The bar is still there. The IT team will be removing. Use it as always, put the address in manually. There is still the ability to use the pull down.
- **Fuel card default limits.** The default limit has been set to \$100.00 per transaction. The Wright Express representatives were out on June 8, 2004. SFM is still having trouble setting limits other than the default with Wright Express. Wright Express is working on the web site to enable us to see the limits on-line. DOT is also having problems with their account with Wright Express. SFM has made numerous complaints on the behalf of our customers to Wright Express. SFM is not happy that some customer service representatives at Wright Express cannot see the authorization limit that has been set while others can. SFM has addressed dissatisfaction about customer service inconsistencies with Wright Express Management, and we are taking appropriate steps to improve their services. SFM recommends drivers have a backup form of payment especially for the larger vehicles.
- **Motor Pool gas pump repairs.** The motor pool gas pump is having the conduit installed the week of June 7, 2004. The card reader is already installed. The pump should be functional the week of June 14, 2004.

- **Utilization Code 5E** – MVAC agreed to change the name to “Temporary”. Those vehicles will not show up on the final utilization report.
- **End of Year – Handout on preliminary underutilized vehicles from CARS.** (Temporary vehicles (5E) are not filtered out). Go into CARS and take a look at the utilization report. The My Fleet interface also has the utilization report. The report is showing 280 vehicles. The report will not be finalized until the June 2004 mileage is reported. After the June billing runs we cannot go back and make odometer changes. SFM can do manual credits for subsequent months, which may in turn affect the final utilization report. If you find an error in any utilization reporting please let SFM know ASAP – often there is a legitimate case for justification. Billing will run on July 1, 2004. There will be no grace period. The June mileage logs that were sent out have a decimal point rather than a comma on the mileage numbers.
- **Fleet Audit** – Larry introduced two of the auditors, Steve Bouey and Mette Boes. They are doing a process audit – vehicle acquisition, disposal, customer needs, commuting.

Presentation

Lease Line Reconciliation – Larry Wegrzyn, SFM

Operations

- **Authorizations Issues** – Handout on Safety, regarding using cell phones and static electricity at the gas pump. If you receive a recall notice please forward them to SFM Authorizations. The interval for PM on transmission service for Chrysler products has been changed. Chrysler admitted that when vehicle is idling in park, the fluid does not circulate. It does not get cool. They are paying for transmission overhauls that are premature. Sonny Otero and Glen Jones are working on this. Special Warranty Coverage – on some Dodge pickups the cab is separating from the frame or body. The Chrysler representative has stated that they will cover the repair of approximately \$3,000 to \$5,000 per vehicle. SFM has had 8 vehicles repaired with no charge. **State garages need to please get their bills in early.**
- **CARS/My Fleet** – nothing new to report. Implemented a Secure Socket Layer (SSL) that protects data while it is being transmitted. You may get a window saying, “You are receiving secure information”. When the license is accepted you will get the window once, and then click on “Yes” or “Proceed.” Once the Security certificate implementation is completed you should not see the window again.
- There were no topics addressed for Open Discussion

The meeting was adjourned at 11:00 am.

The next meeting will be July 14, 2004 at 9:00 am at the Division of Wildlife, 6060 Broadway, Big Horn Room.